

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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FLOOR DEBATE

February 14, 2006 LB 503, 1019, 1020

relating to the rollover of distributions for the Class V retirement system, and would require that involuntary distributions of a plan member be deposited into a qualified retirement account, as required by the IRS. Next, LB 1019 would clarify the current fiduciary duty of PERB board members, and would provide that support for benefit enhancement to any plan administered by the board is not part of the board's fiduciary duty. This is because, as a trustee for the retirement plans, the board should be neutral when it comes to the enhancement of members' benefits, and it should focus on the administration of the current benefits provided by the plan. Finally, LB 1019 would clarify that the internal auditor and the attorney hired by PERB shall be classified positions covered by the state personnel system. This restates the provision previously adopted in LB 503 last year, but DAS has requested a technical modification to the provision. That is a brief summary of what is included in the bill. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Stuhr. As stated by the Clerk, there are committee amendments. As Chairperson of the committee, Senator Stuhr, you're recognized to open on AM2207.

SENATOR STUHR: The committee adopted AM2207 and it would make a technical change to the definition of "compensation" for the school employees' plan, because some school administrators are not certified. The change is suggested because the original intent of the provision, it was adopted last year in LB 503, was to include administrators and certified teachers into one group under this subsection. Currently, the category of school employee means either all certified employees or all noncertified employees or both. Also, the amendment strikes Section 4 of the original bill, which would have made a technical change to the employer contribution match for the school plan. This amendment leaves the match in the current form of 101 percent of the employees' contribution. In addition, AM2207 would amend three additional retirement bills into LB 1019. Each one of these bills, which I will give a brief summary, was passed out of the committee by a unanimous vote. First, LB 1020 changes the amortization period for funding the unfunded actuarial accrued liabilities in the school employees', the State Patrol, and the judges' retirement plans.